

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI ASHOK GEHLOT) : (a) and (b) Despite an unexpected decline in cotton production during 1990-91 cotton season as a result of unfavourable weather conditions and severe pest attacks in certain cotton growing areas of the country, which caused an upward trend in the cotton prices, cotton was all along available to the mills during the season. Government is not aware of any serious crisis faced by textile mills due to fluctuations in the demand and supply position of cotton during the season

Alleged Case of Cheating in Bank of Maharashtra

4186. **SHRI RAM KAPSE :** Will the Minister of FINANCE be pleased to state :

- (a) whether case of alleged cheating involving a sum of Rs. 121.71 crores in the Bank of Maharashtra has come to the notice of the Government;
- (b) if so, whether any enquiry has been conducted in this regard;
- (c) if so, the outcome thereof; and
- (d) the action taken by the Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) Yes, Sir.

(b) to (d) Bank of Maharashtra has reported that credit facilities extended to a group of accounts with the bank started showing sticky tendencies and in 1985 bank filed a suit for the recovery of a total amount of Rs. 34.42 crores plus interest for subsequent period till realisation. Subsequently,

an ex-employee of the bank filed a writ petition in the High Court at Bombay alleging a multi-crore fraud in Bank of Maharashtra allegedly committed by the clients and some senior officials of the bank. Bombay High Court has directed the CBI to conduct investigation. CBI has since registered two cases and has taken up the matter for investigation.

Shortage of Currency Notes

4187. **SHRI RAM KAPSE :** Will the Minister of FINANCE be pleased to state :

- (a) whether there is a shortage of currency notes of various denominations in the country;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the remedial measures taken or proposed to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) Yes, Sir,

(b) Details regarding percentage of supply of fresh notes to RBI vis-a-vis their indent, in terms of volume and value, for the last three years are as under:

Year	% of supply to Indent	
	Volumewise	Valuewise
1988-89	42	38
1989-90	51	29
1990-91	, 50	31

The reason for the shortage is the increasing demand of RBI for fresh